

**WASHINGTON DC** -Rep. Dan Lungren (R-CA), voted yes in support of the Mortgage Reform and Anti-Predatory Lending Act H.R. 1728. The bill passed the House by a vote of 300-114.

"It is necessary to put an end to predatory lending practices and to establish better accountability in the system in order to protect taxpayers from any future bailouts," Lungren said.

The bill would establish lending standards designed to ensure that borrowers are able to repay their loans and that those loans should provide a tangible benefit to the consumer. It also holds creditors responsible for the loans they originate by requiring them to retain an interest in loans that they sell to a third party.

Lungren continued, "It is absolutely essential that if we are to prevent another financial debacle, that those who originate lending must have 'skin in the game'"

The legislation prohibits mortgage originators from steering borrowers to loans with less favorable terms than those for which they are qualified. H.R. 1728 would ban yield spread premiums and other compensation arrangements that create conflicts of interest that reward loan originators at the expense of borrowers.

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Congressman Dan Lungren serves as Ranking Member on the House Administration Committee in addition to serving on the Judiciary and Homeland Security committees